

LEGISLATIVE COUNSEL

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94TH CONGRESS }
1st Session }

HOUSE OF REPRESENTATIVES

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No. 94-5

CHANGES IN PER DIEM TRAVEL ALLOWANCES FOR GOVERNMENT EMPLOYEES

FEBRUARY 6, 1975.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. BROOKS, from the Committee on Government Operations,
submitted the following

REPORT

[To accompany H.R. 2302]

The Committee on Government Operations, to whom was referred the bill (H.R. 2302) to revise certain provisions relating to per diem and mileage expenses of Government employees and disabled veterans, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 9, strike out lines 13 through 21.

Amend the title so as to read:

A bill to revise certain provisions relating to per diem and mileage expenses of Government employees, and for other purposes.

EXPLANATION OF THE AMENDMENTS

The first amendment deletes section 10 from the bill which would have extended the per diem and mileage rates established in the bill to disabled veterans with a service-connected disability traveling to and from a VA facility.

The second amendment deletes reference to "disabled veterans" in the title of the bill.

The 93d Congress unanimously enacted legislation (S. 3341) just prior to adjournment to increase per diem and mileage allowances for both Government employees traveling on public business and for disabled veterans with a service-connected disability traveling to and from veterans facilities. The new rates were designed to provide for adequate reimbursement for out-of-pocket expenses.

President Ford vetoed this legislation, not on the basis of the rates established for Government employees, but on the ground that it would be too costly to extend the same rates to disabled veterans with a service-connected disability traveling to and from veterans facilities.

The President alleged in his veto message that extending the increased benefits to the disabled veterans would cost an additional \$25 million a year. Since the message, several attempts have been made to have the Veterans' Administration justify that amount. To date, they have been unable to do so to this committee.

Even if such figure were supportable, however, it was believed equitable to include disabled veterans within the legislation. Representatives of the Veterans' Affairs Committee indicated they would not object to this provision.

Subsequently, however, the Office of Management and Budget indicated to the Veterans' Affairs Committee that, if the bill were passed, containing the disabled veterans' provision, the increased costs would have to be absorbed with the 1976 budget of the Veterans' Administration. This could result in a reduction of direct health care benefits to veterans.

In the face of this threat by OMB, the Honorable Ray Roberts, chairman of the Veterans' Affairs Committee, has indicated that his committee should have the opportunity to fully consider the impact of the provision. In a letter to Chairman Brooks, he indicated that he intends to introduce legislation to provide for an annual study of travel costs by the VA, taking into consideration the same factors that the General Services Administration will consider under H.R. 2302. A copy of this letter follows:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., February 3, 1975.

Hon. JACK BROOKS,
Chairman, Subcommittee on Government Activities, Committee on Government Operations, Washington, D.C.

DEAR MR. CHAIRMAN: This has reference to our recent conservation regarding Section 10 of H. R. 6, 94th Congress, now before your Committee which would amend Title 38, United States Code by adding to Section 111 (a) the following:

"In no event shall the amount paid for expenses of travel or mileage allowance under this section in the case of any veteran with a service-connected disability be less than the amount paid therefore under section 5702 or 5704, as appropriate, of title 5 in the case of employees of the United States traveling on official business."

"(b) The Amendment made by subsection (a) of this section shall become effective July 1, 1975."

Legislation similar to H. R. 6 was passed by the 93rd Congress but vetoed by the President because of the above provision relating to Title 38.

Members of our respective staffs have discussed the Title 38 provision since the veto and initially it was decided that since basic eligibility requirements were not being changed, that we would interpose no jurisdictional objection.

More recent developments, however, have caused us to reevaluate this situation inasmuch as we understand that it is the intent of OMB and considerable sentiment in the Senate to have the agencies and departments "absorb" the increased cost of this legislation within the 1976 budget if the legislation is finally enacted.

If this is the case, and there are strong indicators from a number of sources that this is the case, approximately \$18.7 million in increased cost would come out of the Veterans Administration Medical Care budget for beneficiary travel. The medical care appropriation is already grossly inadequate for direct patient care in VA hospitals and outpatient clinics, and any further erosion of this funding would cause additional serious problems.

In the meantime we have drafted and will introduce the enclosed bill which would require the Veterans Administration to annually investigate the cost of travel by veterans to VA facilities and to set the rates therefore.

Our Committee has been instrumental in forcing the VA to increase beneficiary travel rates in recent months from 6¢ to 8¢ per mile in an effort to more equitably reimburse veterans for their actual out of pocket travel costs for authorized examinations and treatments and the like, and we believe the enclosed draft bill will meet the veterans beneficiary travel needs. In view of the questions raised, I feel the Committee on Veterans' Affairs should retain jurisdiction of this issue.

With best wishes, I am,
Sincerely yours,

RAY ROBERTS,
Chairman.

[NOTE.—This draft legislation was introduced as H.R. 2735 on Feb. 4, 1975.]

[H.R. —, 94th Cong., 1st sess.]

A BILL To amend title 38 of the United States Code in order to provide for an annual investigation by the Administrator into the cost of travel by veterans to Veterans' Administration facilities and to set rates therefor, and other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of title 38, United States Code, is amended by inserting at the end thereof the following new subsection:

“(c) In carrying out the purposes of this section, the Administrator shall conduct annual investigations of the cost of travel (including lodging and subsistence) and the operation of privately owned vehicles to beneficiaries while traveling to or from a Veterans' Administration facility or other place pursuant to the provisions of this section. In conducting the investigations, the Administrator shall review and analyze among other factors—

- “(1) depreciation of original vehicle cost;
 - “(2) gasoline and oil costs;
 - “(3) maintenance, accessories, parts, and tires;
 - “(4) insurance;
 - “(5) State and Federal taxes; and
 - “(6) the per diem rates, mileage allowances, and expenses of travel authorized under sections 5702 and 5704 of title 5, for employees of the United States traveling on official business;
- and he shall report the results of such investigations to the Committees on Veterans' Affairs of the Senate and the House of Representatives at least once each year, setting forth the allowance rate authorized and the basis used for such determination.”.

In view of these considerations, the committee agreed to delete the disabled veterans' provision from the bill.

PURPOSE

H.R. 2302 establishes a uniform maximum per diem allowance for Federal employees while traveling on official business inside the continental limits of the United States of up to \$35 per day, with a \$50 maximum in special circumstances prescribed under regulations issued by the General Services Administration. This proposal places more authority in GSA to issue uniform regulations for travel allowances and removes such authority from the various heads of agencies where it now exists.

H.R. 2302 also authorizes the President, or his designee, to prescribe conditions under which a Federal employee traveling outside the continental United States may be reimbursed a maximum of \$21 per day under special circumstances in addition to the locally prescribed per diem allowance.

H.R. 2302 sets a range of allowances for Federal employees use of privately owned vehicles of 8 to 11 cents a mile for motorcycles, 15 to 20 cents a mile for automobiles, and 18 to 24 cents a mile for airplanes; and provides for separate reimbursement for parking fees, toll costs, and airplane landing and tie-down fees. This bill enables GSA to have the flexibility to adjust these allowances to appropriate levels up to the maximum rates. Also, under this proposal, GSA must conduct periodic studies of the cost of travel and vehicle operation and report the results annually to Congress so that the maximum could be increased if necessary.

Finally, H.R. 2302 provides for a more efficient and reasonable method of treating those covered under this proposal. The bill expands the definition of employee to include consultants, volunteers, dollar-a-year people, experts, and others so that all will be treated equally when traveling at Government expense.

HEARING

On July 16, 1974, during the preceding Congress, the committee, through its Government Activities Subcommittee, conducted a public hearing on H.R. 15903, a bill similar to H.R. 2302.

COMMITTEE VOTE

H.R. 2302, as amended, was unanimously approved by voice vote at a meeting of the Full Committee on February 4, 1975, a quorum being present.

BACKGROUND

Recognizing that a Federal Government employee traveling on legitimate Government business should not have to subsidize the cost of his trip, Congress has historically provided for reimbursement for reasonable expenses incurred while on official business. The existing per diem rates for authorized travel within the continental United States were established in 1969 under the provisions of Public Law 91-114.

That act set a maximum of \$25 per day for ordinary travel, or a maximum of \$40 per day under unusual circumstances of an authorized travel assignment.

For travel outside the continental United States, the per diem allowance cannot exceed the rate established by the President or his designee, who may be the Director of the Bureau of the Budget or another officer of the Government of the United States, for the locality where the travel is performed. There is no statutory limitation on this provision. Under unusual circumstances, an employee is entitled to the maximum per diem allowance plus up to \$18 for each day in a travel status outside the continental United States.

The 1969 law also established the mileage and related allowances at rates not to exceed: (1) 8 cents a mile for the use of a privately owned motorcycle; or (2) 12 cents a mile for the use of a privately owned automobile or airplane. In addition to these mileage allowances, employees or other individuals performing service for the Government may be reimbursed for: (1) parking fees; (2) ferry fares; and (3) bridge, road, and tunnel tolls.

DISCUSSION

Per diem allowances

In 1969, when the present per diem and mileage allowances were established, the rates were adequate to cover reasonable expenses that might be incurred during official government travel. However, in the last 5 years, the average cost of food and lodging has increased approximately 24 percent and these rates are now inadequate to fully reimburse an employee for his travel expenses.

In an effort to determine the effect of rising costs associated with travel, the General Services Administration initiated a study to evaluate the adequacy of present travel allowances for Federal employees. The study involved approximately 13,000 actual employee travel experiences representing 63,000 man-days of travel taken over a period of 3 months in 1973, and included 22 agencies of the executive branch. This sample reflected approximately seven-tenths of 1 percent of the total number of man-days of government travel each year.

Results showed that the present \$25 per diem was inadequate for over 30 percent of the reported travel. The study also disclosed that actual subsistence expense allowances of up to \$40 per day were authorized in only 3 percent of the travel reported.

Since the purpose of the per diem statutes is obviously not being served, H.R. 2302 was introduced to remedy this situation. This bill increases the maximum basic statutory per diem allowance from \$25 to \$35, the maximum statutory actual subsistence expenses for travel under unusual circumstances in the continental United States from \$40 to \$50 per day, and the permissible amount in addition to the maximum per diem allowance established for a locality outside the continental United States from \$18 to \$21 per day.

The actual per diem rate under the maximum amount would be established by the issuance of regulations by the Administrator of GSA for travel inside the continental United States, and by the President, or his designee, for travel outside the continental United States.

The rate would be determined on a basis of periodic studies and would be applicable to all Government agencies. It is anticipated that, at the present time, a \$30 per diem rate would be established for travel inside the continental United States, but the flexibility would be provided for the rate to go to a maximum of \$35 should circumstances make that necessary.

Although these increases will be adequate to cover the expenses of most travel, the allowances will not be sufficient at the present time to take care of expenses incurred in travel to major cities such as New York and San Francisco. As the study below indicates, some localities presently require nearly \$50 per day for adequate lodging and three average meals, including tips and taxes. (This study is from the Runzheimer Meal-Lodging Cost Index published by Runzheimer and Company, Inc., Rochester, Wisconsin) :

Most recent per diem costs of lodging and meals

Over 1 million population type cities :

1. Atlanta, Ga	\$28.60
2. Baltimore, Md	29.35
3. Boston, Mass	36.45
4. Buffalo, N.Y	26.90
5. Chicago, Ill	36.50
6. Cincinnati, Ohio	28.30
7. Cleveland, Ohio	30.05
8. Dallas, Tex	30.55
9. Denver, Colo	28.05
10. Detroit, Mich	31.20
11. Houston, Tex	30.05
12. Kansas City, Mo	27.55
13. Los Angeles, Calif	33.90
14. Miami, Fla	32.70
15. Milwaukee, Wis	25.60
16. Minneapolis, Minn	32.80
17. Newark, N.J	33.00
18. New York, N.Y	48.50
19. Philadelphia, Pa	33.40
20. Pittsburgh, Pa	28.55
21. St. Louis, Mo	29.45
22. San Diego, Calif	29.30
23. San Francisco, Calif	37.70
24. Seattle, Wash	29.85
25. Washington, D.C	40.05

From 500,000 to 1 million type cities :

1. Akron, Ohio	25.25
2. Albany, N.Y	28.50
3. Birmingham, Ala	23.30
4. Bridgeport, Conn	31.75
5. Columbus, Ohio	26.50
6. Dayton, Ohio	24.10
7. Hartford, Conn	28.75
8. Honolulu, Hawaii	34.25
9. Indianapolis, Ind	26.65
10. Jacksonville, Fla	22.90
11. Louisville, Ky	27.25
12. Memphis, Tenn	29.20
13. New Haven, Conn	28.20
14. New Orleans, La	32.90
15. Norfolk, Va	25.50

From 500,000 to 1 million type cities—Continued

16. Oklahoma City, Okla.....	25.20
17. Omaha, Nebr.....	24.90
18. Phoenix, Ariz.....	27.30
19. Portland, Oreg.....	25.35
20. Providence, R.I.....	26.45
21. Richmond, Va.....	24.90
22. Rochester, N.Y.....	27.25
23. Sacramento, Calif.....	24.80
24. San Antonio, Tex.....	24.40
25. San Jose, Calif.....	26.70
26. Springfield, Mass.....	26.05
27. Syracuse, N.Y.....	26.75
28. Tampa, Fla.....	26.55
29. Worcester, Mass.....	27.15

From 100,000 to 500,000 type cities:

1. Albuquerque, N. Mex.....	23.50
2. Amarillo, Tex.....	20.15
3. Asheville, N.C.....	30.35
4. Atlantic City, N.J.....	35.50
5. Austin, Tex.....	23.90
6. Baton Rouge, La.....	22.05
7. Charleston, S.C.....	22.00
8. Charlotte, N.C.....	22.55
9. Des Moines, Iowa.....	24.40
10. El Paso, Tex.....	22.45
11. Fort Wayne, Ind.....	23.30
12. Fresno, Calif.....	20.75
13. Harrisburg, Pa.....	25.55
14. Huntsville, Ala.....	23.55
15. Jackson, Miss.....	26.50
16. Kalamazoo, Mich.....	25.15
17. Las Vegas, Nev.....	32.25
18. Lexington, Ky.....	24.60
19. Little Rock, Ark.....	23.25
20. Madison, Wis.....	27.45
21. Nashville, Tenn.....	23.15
22. Orlando, Fla.....	25.25
23. Pittsfield, Mass.....	29.70
24. Portland, Maine.....	27.30
25. Raleigh, N.C.....	24.80
26. Rockford, Ill.....	21.60
27. Salt Lake City, Utah.....	27.35
28. Santa Barbara, Calif.....	29.80
29. Spokane, Wash.....	27.05
30. Springfield, Ill.....	22.50
31. Springfield, Mo.....	19.60
32. Toledo, Ohio.....	25.05
33. Tucson, Ariz.....	26.20
34. Wichita, Kans.....	21.55
35. Wilmington, Del.....	24.30
36. York, Pa.....	23.65

Under 100,000 population type cities:

1. Albany, Ga.....	20.40
2. Anchorage, Alaska.....	35.70
3. Boise, Idaho.....	23.20
4. Burlington, Vt.....	25.95
5. Charleston, W. Va.....	25.75
6. Cheyenne, Wyo.....	23.55
7. Great Falls, Mont.....	23.10
8. Manchester, N.H.....	21.45
9. Roanoke, Va.....	25.05
10. Sioux Falls, S. Dak.....	23.00

To accommodate these areas of unusually high traveling costs, H.R. 2302, incorporates a new concept providing for reimbursement of actual and necessary expenses up to \$50 per day for travel to high cost areas. An area would be designated by regulation as a "high rate geographic area" when travel expenses there exceed the regular per diem rate by a significant amount. GSA has testified that a 10-percent margin would be used as a guideline. If a basic per diem rate of \$30 is initially established, GSA estimates that there would be approximately 10 major city areas at the present time where travel expenses would exceed that amount by 10 percent or more and would, therefore, be designated by regulation as a "high rate geographic area." A maximum rate would be stated in the governing regulations for each major city area so designated, but in no case could the rate established exceed the \$50 statutory maximum.

These major city locality rates would be reviewed at least once annually, and adjusted, as appropriate, within the proposed ceiling of \$50 per day. The major city locality rates would be prescribed as maximums only; and, when actual subsistence expenses incurred in any one day are less than the maximum authorized, the traveler will be reimbursed only for the lesser amount.

The high rate geographic area concept is an effective means of meeting the demonstrated needs of Federal employees who must travel on official business to higher cost areas, and is certainly preferable to increasing the nation-wide per diem rate to a level sufficient to meet these particular circumstances of travel. This method provides for adequate relief in the situations which are now causing most of the hardships experienced by Federal employee travels, while retaining some incentive for employees to maintain their travel expenses at a minimum.

GSA has estimated that under H.R. 2302, the maximum yearly cost impact of a per diem increase to \$30 would be approximately \$24 million over costs incurred under the present rate of \$25. An additional increase of approximately \$10 million would occur as a result of the establishment of the major city locality rate method. However, it is almost certain that the major city locality rate method would provide greater flexibility in setting equitable rates and result in lower overall costs to the Government than would result if a higher across-the-board per diem rate was established reflecting the higher costs in certain major cities. A per diem rate justifiable for major cities would be too high for most of the travel performed. Indeed, GSA estimates a uniform increase to a \$35 minimum figure would have a maximum cost impact of approximately \$47 million over the present \$25 and would still be inadequate to cover costs in most major city localities. Therefore, this proposal would result in a lower cost of up to \$13 million annually than would an increase to a \$35 minimum per diem rate.

The per diem rate for travel to each locality outside the continental United States is to be established by the President, or his designee. In a case where the per diem rate for a particular locality is less than actual and necessary expenses, the President, or his designee, may prescribe reimbursement not to exceed \$21 for each day in addition to the locality per diem rate.

Travel allowances

Of equal concern is the recent meteoric rise in the price of transportation costs. In general, the travel reimbursement rates established in 1969 are at substantially inadequate levels.

Two recent Government studies indicate that the present cost of operating a standard size automobile in the United States exceeds the 12 cents maximum reimbursement rate set by statute. A Department of Transportation study completed in April, 1974,¹ indicated that the present cost of operating an automobile was 15.9 cents per mile, while a June, 1974, report by the GSA² indicated that this cost was 14.4 cents per mile. These differences are easily reconcilable since the GSA figure does not include the 2 cents per mile cost for garage, parking, and tolls that the DOT study included. These costs are reimbursed separately under the provisions of the 1969 per diem statutes and, therefore, are appropriately excluded from the reimbursement allowance studies. Both studies included the original vehicle cost depreciation, maintenance, accessories, parts, tires, gas, and oil (excluding taxes), insurance, and State and Federal taxes. The Department of Transportation based its figures on a 5-year depreciated car life, while the GSA used a 10-year period to calculate depreciation expense. The essential point, however, is that both of these studies illustrate the need for an upward adjustment in the present transportation reimbursement rate.

This bill, as amended, would raise the maximum reimbursement rate for operating a private automobile from the current level of 12 cents a mile to 20 cents a mile. In addition, a minimum rate of reimbursement of 15 cents per mile would be established. The actual rate would be established by regulation. Presently, the rate would, in all probability, be raised to 15 cents a mile, but the GSA would have the flexibility to adjust the rates in accordance with the need established by their periodic cost studies, which would be mandatorily required by and reported to Congress at least once a year.

H.R. 2302, as amended, would also correct the presently inadequate reimbursement rates for the use of privately owned motorcycles and airplanes for legitimate government business trips.

This bill would raise the current maximum allowance for motorcycles from 8 cents to 11 cents a mile. This increase is assumed to be adequate to cover any increases in fuel costs for motorcycles since fuel costs are generally minimal with respect to the use of a motorcycle.

In a December 1973 study conducted by the GSA, it was determined that the average cost of operating a privately owned, single-engine piston airplanes was approximately 20.6 cents per mile, exclusive of landing and tie-down fees. The present maximum reimbursement rate of 12 cents a mile is clearly inadequate. Under this bill, the rate would be raised, by regulation, to a minimum of 18 cents and a maximum of 24 cents a mile.

As in the case of the automobile provisions, GSA would be required to conduct periodic cost studies concerning the use of motorcycles and airplanes so that they could base these rates upon justified needs. A

¹ "Cost of Operating an Automobile," U.S. Department of Transportation, Federal Highway Administration, April 1974.

² "Present Cost of Operating Privately-Owned Automobiles," General Services Administration, Federal Supply Service, Transportation Services Division, June 5, 1974.

report of these results would be required to be made to Congress once a year.

It should also be noted that presently the per diem statutes do not provide for the separate reimbursement of landing and tie-down fees while operating a privately owned airplane, although similar costs relating to the use of a privately owned automobile, such as parking fees, ferry fares, and highway tolls may be separately allowed. By providing for the separate reimbursement of landing and tie-down fees, this proposal would alleviate this anomolous situation.

By GSA estimates, the annual cost impact for each one cent per mile increase in the reimbursement rate for privately owned vehicles is \$3.8 million and for privately owned airplanes is \$11,000. If the rates for reimbursement were set at 15 and 21 cents per mile, as they probably would be presently, the estimated annual total cost impact would be \$11.5 million more than today's inadequate allowance. In addition, there would be a further increase due to the separate reimbursement for landing and tie-down expenses while operating a private airplane. However, the total added cost due to this provision would be negligible.

Finally, H.R. 2303, as amended, clearly established that the same provisions regarding per diem allowances will be applicable to all persons traveling on official Government business, including employees, experts, and consultants, volunteers and \$1-a-year people. This provision would reduce government expenses by utilizing more effective controls upon travel costs while providing for simpler and more uniform accounting procedures.

In conclusion, H.R. 2302, as amended, presents a viable method of dealing with the problem of establishing efficient and effective per diem rates. While the bill deals adequately with covering expenses encountered by employees on legitimate Government business trips, it still retains incentives for keeping those costs at a minimum. It also reserves control over these expenditures in the Congress, yet allows enough flexibility for the GSA to react to price fluctuations in a timely manner.

The committee has long felt that Government employees traveling on official business should be adequately reimbursed for their necessary expenditures and should not pay any of the cost out of their own pockets. Due to recent inflation in the cost of travel, lodging, and meals, increases in the allowances are presently needed. The committee believes that this legislation represents reasonable and adequate means of resolving this problem.

ESTIMATED COST OF LEGISLATION

The General Services Administration estimates that passage of this legislation will result in an increased expenditure of approximately \$34 million per year for per diem allowances for each of 5 fiscal years. Expenditures could rise by as much as \$57 million per year if the per diem allowances were set at their maximum allowable rate. It is not anticipated that that would be the case at this time.

Expenditures for mileage allowances are expected to increase by approximately \$11.5 million per year as a result of the passage of this legislation. Increasing the reimbursement rate to the maximum allow-

able under this legislation would increase this figure to approximately \$23 million per year. It is not, however, anticipated that the rate would be set at the maximum allowable at the present time.

The committee concurs in these estimates.

MATTER REQUIRED TO BE DISCUSSED UNDER HOUSE RULES

In compliance with clauses 2(1)(3) and 2(1)(4) of rule XI of the Rules of the House of Representatives, the following statements are made:

In compliance with subdivision (A) of clause 2(1)(3), the Government Activities Subcommittee of this committee during the 93d Congress reviewed the application and administration of the laws relating to travel expenses of Federal employees and the organization and operation of Federal agencies responsible for the administration and execution thereof, and the committee determined that this law should be revised and improved in the manner set forth in the bill.

With respect to subdivision (C) the committee advises that no estimate or comparison has been prepared by the Director of the Congressional Budget Office relative to any of the provisions of H.R. 2302.

In compliance with clause 2(1)(4) the committee states that the provisions of this legislation in and of themselves are not expected to have an inflationary impact on prices and costs in the operation of the national economy.

SECTION-BY-SECTION ANALYSIS

Section 1 sets forth the title of the bill: "Travel Expenses Amendments Act of 1975."

Section 2 expands the definition of employee to include experts, consultants and volunteers so that all will be treated alike when traveling at government expense.

Section 3 establishes the maximum per diem allowance rates. Subpart 5702(e) sets a \$35 per day maximum rate; allows the President or his designee to set the rate for foreign travel; and permits the adoption of regulations for allocating per diem if less than a full day is consumed. Subpart 5702(b) protects an employee who becomes ill while traveling by insuring that he will continue to be entitled to the applicable per diem allowance and travel expenses during the time such illness prevents him from returning to the location of his designated post of duty. Subpart 5702(c) provides for actual and necessary expenses up to \$50 per day for travel inside the continental United States under unusual circumstances or for travel to high-cost areas where the basic per diem allowance would be inadequate. Subpart 5702(d) increases the allowance in addition to the regular per diem rate for travel under unusual circumstances outside the continental United States from the present \$18 to \$21 per day. Subpart 5702(e) is a restatement of a provision of the current statute which exempts justices and judges of the United States from the provisions of this section except to the extent specifically provided in the statute relating to traveling expenses of justices and judges in section 456 of title 28 of the United States Code.

Section 4 deletes the provision of the current statute regarding per diem allowances for experts, consultants, volunteers, and \$1-a-year people traveling at Government expense. Under the proposed legislation, these persons would be entitled to per diem under section 5702 in the same manner as other employees of the Federal Government.

Section 5 establishes the mileage allowance for motorcycles at 8 cents per mile; for automobiles at 15 cents per mile; and for airplanes at 18 cents per mile. It also provides for separate reimbursement of airplane landing and tie-down fees.

Section 6 provides that the Administrator of GSA shall prescribe the regulations necessary to carry out the provisions of the per diem and mileage allowance statutes. This function has previously been transferred from the Director of the Bureau of the Budget (now OMB) to the GSA by an Executive order. Section 6 also adds a requirement that the GSA make periodic studies of the costs of travel and of the operation of privately owned vehicles and requires that a report of the results of such studies be made to Congress at least once a year. Within 30 days of such report, the Administrator shall adjust the mileage rates in accordance with the results of the study except that no rate may be adjusted lower than the rates prescribed in section 5 or higher than 11 cents a mile for motorcycles, 20 cents a mile for automobiles, and 24 cents a mile for airplanes.

Section 7 amends the table of contents to conform to a change in the title of section 5707.

Section 8 establishes per diem rates for travel for Senate employees. This provision is identical to one contained in the bill passed by Congress in the 93d Congress and inserted by the Senate. Historically, the Senate has handled its per diem in the same legislation as that covering executive branch employees. The House of Representatives uses the Legislative Appropriations Act instead. The rates provided in this section would be the same as those established for travel by employees of the executive branch.

Section 9, also requested by the Senate and contained in the bill enacted by the last Congress, amends the Supplemental Appropriation Act, 1973 (2 U.S.C. 58) to provide that a Senator's personal staff is to be reimbursed for official travel on the same basis that committee staffs are now reimbursed for official travel. The language allows Senate personal staff to receive per diem expenses for official travel to the home State of the Senator for whom they work. The per diem would be in addition to reimbursement for the transportation expenses already paid by the Senate. No reimbursement is to be made within 120 days of any primary or general election in which the Senator is a candidate. The Senator is personally responsible for certifying claims for reimbursement.

AGENCY COMMENTS

In the 93d Congress, the General Services Administration submitted a letter and draft legislation seeking an increase in the per diem and mileage allowance rates. The draft legislation is similar in concept, but not in language, to that passed by the House last Congress and to H.R. 2302.

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 5, 1974.

HON. CARL ALBERT,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith for referral to the appropriate Committee a draft bill, "To increase the maximum per diem allowance and the maximum statutory mileage allowance for the use of a privately owned automobile or airplane for employees of the Federal Government while traveling on official business, and for other purposes."

Executive Order 11609 of July 22, 1971, vested in the Administrator of General Services the authority of the President to prescribe regulations under 5 U.S.C. 5707 without approval, ratification, or other action by the President. The current Federal Travel Regulations, promulgated by the General Services Administration, are those which become effective on May 1, 1973 (41 CFR 101-7).

Under present law (5 U.S.C. 5702), an employee traveling on official business away from his designated post of duty is entitled to a per diem allowance prescribed by the agency concerned, subject to a maximum of \$25 for travel inside the continental United States. Under regulations prescribed under 5 U.S.C. 5707, an agency head may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of travel, not to exceed an amount named in the travel authorization, when the maximum per diem allowance would be less than the actual and necessary expenses due to "the unusual circumstances of the travel assignment." In such cases, the amount named in the travel authorization may not exceed \$40 for each day in travel status inside the continental United States, or the maximum per diem allowance established for the locality where the travel is performed, plus \$18 for each day in a travel status outside the continental United States. The maximum figures of \$25, \$40, and \$18 have been in effect since November 19, 1969, when they were increased to those levels by Public Law 91-114 from the previous figures of \$16, \$30, and \$10.

In view of rising costs associated with travel, especially in major metropolitan areas, the General Services Administration initiated a study to determine the adequacy of present travel allowances for Federal employees. The study involved approximately 13,000 actual employee travel experiences representing 63,000 man-days of travel taken over a period of three months in 1973, and included 22 agencies of the executive branch. This reflects seven-tenths of one percent of the total number of many-days of travel. Results show that the present \$25 per diem rate was inadequate for over 50 percent of the reported travel. This was due, primarily, to the increased average costs of approximately 24 percent in food and lodging expenses since 1969, the year of the last per diem increase. The Consumer Price Index level reflects this fact. The study also disclosed that actual subsistence expense allowances of up to \$40 per day were authorized in only three percent of the travel reported.

We, therefore, propose in our draft bill that the maximum statutory per diem allowance be increased from \$25 to \$30; the maximum statutory actual subsistence expenses in the continental United States be increased from \$40 to \$50 per day; and the permissible amount in addition to the maximum per diem allowance established for the locality for travel outside the continental United States be increased from \$18 to \$23 per day. Section 2 of our draft bill would provide the same changes in the \$25 and \$40 limitations imposed upon the Senate by the Legislative Branch Appropriation Act, 1957, as amended. In spite of these increases, the allowances will not be sufficient to take care of those employees traveling to major cities such as New and San Francisco. Based on published commercial lodging and meal expenses, it would require an average of \$45 per day for adequate lodgings with three average meals, including tips and taxes. For that reason, it is proposed in our draft bill to permit the reimbursement of actual and necessary expenses of a trip when they are much more than the maximum per diem allowance, due to a travel assignment to such major cities and metropolitan areas. Under present law this reimbursement is permitted only when the higher expenses are due to "unusual circumstances."

Based on a \$30 statutory per diem rate, it is anticipated that there would be approximately 10 major city areas at the present time where travel expenses would exceed the maximum per diem rate by 10 percent or more and would therefore be designated as a "major city locality." A maximum rate would be stated in the governing regulations for each major city area so designated, but in no case will the rate established exceed the \$50 statutory maximum actual expenses allowance. It is further anticipated that the maximum locality rates would be reviewed at least annually and adjusted, as appropriate, within the proposed ceiling of \$50 per day. These major city locality rates would be prescribed as maximums only, and when actual subsistence expenses incurred in any one day are less than the maximum authorized, the traveler will, of course, be reimbursed only for the lesser amount.

We believe this major city locality rate method to be a means of meeting the demonstrated needs of Federal employees who must travel on official business, which is preferable to increasing the maximum per diem rate to a level sufficient to meet these particular circumstances of travel. It will relieve the situations which are now causing most of the hardships experienced by Federal employee travelers, while the proposed increase in the maximum per diem rate will adequately cover the remainder.

Under our proposed draft bill, the maximum yearly cost impact based on a per diem increase to \$30 would be approximately \$24 million over the present rate (\$25), plus an additional increase of approximately \$10 million based on the establishment of the major city locality rate method.

This bill also proposes to amend 5 U.S.C. 5704(a)(2), to increase the maximum allowance for the use of a privately owned automobile from 12 cents to 18 cents a mile, and for the use of a privately owned

airplane from 12 cents to 24 cents a mile, and to amend 5 U.S.C. 5704(b) to provide, in addition to the mileage allowance prescribed under 5 U.S.C. 5704(a) (2), that employees who use a privately owned airplane for official business may be reimbursed for landing and tiedown fees.

The maximum figures of 12 cents for a privately owned automobile and airplane have been in effect since August 14, 1961, when they were increased to those levels by Public Law 87-139 from the previous figure of 10 cents.

A recent study by GSA of automobile operating costs indicates that the cost of operating a privately owned automobile as of April 1974 was 14.4 cents a mile.

Another study which we recently completed relates to costs associated with operating a privately owned airplane. As determined in this study, the cost of operating a privately owned, single engine, piston airplane, as of December 1973, was approximately 20.6 cents per mile, exclusive of landing and tiedown fees.

Although our studies indicated operating costs of 14.4 cents per mile for privately owned automobiles and 20.6 cents per mile for privately owned airplanes, we recommend that the statutory rates be set at 18 and 24 cents per mile, respectively. This would allow us latitude in prescribing reimbursement rates within the statutory maximums that will equate to the current costs of operating these conveyances.

Additionally, we recommend that 5 U.S.C. 5704(b) be amended to permit reimbursement for landing and tiedown fees in addition to the mileage allowance prescribed for privately owned airplanes. Although similar costs such as parking fees, ferry fares, and highway tolls may be separately allowed under 5 U.S.C. 5704(b) for the use of a privately owned automobile, there is no statutory authority for separately allowing the expenses of landing or tiedown services when a privately owned aircraft is authorized for use on official business. A change in the law to allow separate reimbursement for these costs will insure a closer relationship between expenses incurred and the amount of reimbursement and will standardize the allowances as they relate to both automobiles and airplanes.

The estimated annual costs impact for each 1 cent per mile increase for privately owned vehicles is \$3.8 million and for privately owned airplanes is \$11,000. If the rates for reimbursement are set at 15 and 21 cents, the estimated annual total cost impact would be \$11.5 million more than today's inadequate allowance.

The draft bill will provide more equitable treatment for Federal employee travelers and alleviate the inadequacies of present travel allowances. We urge its prompt enactment.

The Office of Management and Budget has advised that there is no objection to the submission of this draft bill to the Congress and that its enactment would be consistent with the Administration's objectives.

Sincerely,

DWIGHT A. INK,
Deputy Administrator.

Enclosure.

A BILL To revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter I of chapter 57 of title 5 United States Code, is amended as follows:

(1) In Section 5701, by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and by adding the following:

"(7) 'major city locality' means a city or metropolitan area designated as such by regulation prescribed under section 5707 of this title."

(2) In section 5702(a), by striking out "\$25" and inserting in lieu thereof "\$30";

(3) By changing the language of section 5702(c) to read as follows:

"(c) Under regulations prescribed under section 5707 of this title, the head of the agency concerned may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of the trip, not to exceed an amount named in the travel authorization, when the maximum per diem allowance would be much less than these expenses due to—

(1) the unusual circumstances of the travel assignment, in which case the amount named in this travel authorization may not exceed—

(a) \$50 for each day in a travel status inside the continental United States; or

(b) the maximum per diem allowance plus \$23 for each day in a travel status outside the continental United States; or

(2) a travel assignment to a city or metropolitan area designated by regulations prescribed under section 5707 of this title as a 'major city locality', in which case the amount named in the travel authorization may not exceed the amount stated in the regulation so designating the locality. In no case may the amount stated in the regulation exceed \$50 per day."

(4) In section 5703(c), by striking out "\$25" and inserting in lieu thereof "\$30".

(5) In section 5703(d), by striking out "\$40" and "\$18" and inserting in lieu thereof "\$50" and "\$23", respectively.

(6) In section 5704(a) by:

(a) striking out "12 cents" and inserting in lieu thereof "18 cents" at the beginning of paragraph (2);

(b) striking out the words "or airplane" at the end of paragraph (2) and inserting after the semicolon the word "or"; and

(c) adding at the end thereof a new paragraph as follows:

"(3) 24 cents a mile for the use of a privately owned airplane;"

- (7) In section 5704(b) by:
- (a) striking out the word "and" after semicolon at the end of paragraph (2);
 - (b) striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and
 - (c) adding at the end thereof a new paragraph as follows:
" (4) landing and tiedown fees."

SEC. 2. The seventh paragraph under the heading "Administrative Provisions" in the Senate section of the Legislative Branch Appropriation Act, 1957 (70 Stat. 360, as amended, 2 U.S.C. 68b), is amended by striking out "\$25" and "\$40" and inserting in lieu thereof "\$30" and "\$50", respectively.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 5, UNITED STATES CODE

* * * * *

CHAPTER 57—TRAVEL, TRANSPORTATION, AND
SUBSISTENCE

SUBCHAPTER I—TRAVEL AND SUBSISTENCE EXPENSES; MILEAGE
ALLOWANCES

SEC.

5701. Definitions.
5702. Per diem; employees traveling on official business.
[5703. Per diem, travel, and transportation expenses; experts and consultants;
individuals serving without pay.]
5704. Mileage and related allowances.
5705. Advancements and deductions.
5706. Allowable travel expenses.
5707. Regulations and reports.
5708. Effect on other statutes.
5709. Air evacuation patients: furnished subsistence.

* * * * *

SUBCHAPTER I—TRAVEL AND SUBSISTENCE
EXPENSES; MILEAGE ALLOWANCES

§ 5701. Definitions

For the purpose of this subchapter—

- (1) "agency" means—
(A) an Executive agency;
(B) a military department;
(C) an office, agency, or other establishment in the legislative branch;
(D) an office, agency, or other establishment in the judicial branch; and

- (E) the government of the District of Columbia; but does not include—
- (i) a Government controlled corporation;
 - (ii) a Member of Congress; or
 - (iii) an office or committee of either House of Congress or of the two Houses;
- (2) "employee" means an individual employed in or under an agency, *including an individual employed intermittently in the Government service as an expert or consultant and paid on a daily when-actually-employed basis and an individual serving without pay or at \$1 a year*;
- (3) "subsistence" means lodging, meals, and other necessary expenses for the personal sustenance and comfort of the traveler;
- (4) "per diem allowance" means a daily flat rate payment instead of actual expenses for subsistence and fees or tips to porters and stewards;
- (5) "Government" means the Government of the United States and the government of the District of Columbia; and
- (6) "continental United States" means the several States and the District of Columbia, but does not include Alaska or Hawaii.

§ 5702. Per diem; employees traveling on official business

[(a) An employee, while traveling on official business away from his designated post of duty, is entitled to a per diem allowance prescribed by the agency concerned. For travel inside the continental United States, the per diem allowance may not exceed the rate of \$25. For travel outside the continental United States, the per diem allowance may not exceed the rate established by the President or his designee, who may be the Director of the Bureau of the Budget or another officer of the Government of the United States, for the locality where the travel is performed.

[(b) Under regulations prescribed under section 5707 of this title, an employee who, while traveling on official business away from his designated post of duty, becomes incapacitated by illness or injury not due to his own misconduct is entitled to the per diem allowances, and transportation expenses to his designated post of duty.

[(c) Under regulations prescribed under section 5707 of this title, the head of the agency concerned may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of the trip, not to exceed an amount named in the travel authorization, when the maximum per diem allowance would be much less than these expenses due to the unusual circumstances of the travel assignment. The amount named in the travel authorization may not exceed—

[(1) \$40 for each day in a travel status inside the continental United States; or

[(2) the maximum per diem allowance plus \$18 for each day in a travel status outside the continental United States.

[(d) This section does not apply to a justice or judge except to the extent provided by section 456 of title 28.]

§ 5702. Per diem; employee traveling on official business

(a) Under regulations prescribed under section 5707 of this title, an employee while traveling on official business away from his designated post of duty, or in the case of an intermittent employee, his home or regular place of business, is entitled to a per diem allowance for travel inside the continental United States at a rate not to exceed \$35. For travel outside the continental United States, the per diem allowance shall be established by the President, or his designee, for each locality where travel is to be performed. For travel consuming less than a full day, such rates may be allocated proportionately.

(b) Under regulations prescribed under section 5707 of this title, an employee who, while traveling on official business away from his designated post of duty or, in the case of an intermittent employee, his home or regular place of business, becomes incapacitated by illness or injury not due to his own misconduct, is entitled to the per diem allowance and appropriate transportation expenses until such time as he can again travel, and to the per diem allowance and transportation expenses during return travel to his designated post of duty, or home or regular place of business, as the case may be.

(c) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel when the per diem allowance would be less than these expenses, except that such reimbursement shall not exceed \$50 for each day in a travel status within the continental United States when the per diem otherwise allowable is determined to be inadequate (A) due to the unusual circumstances of the travel assignment, or (B) for travel to high rate geographical areas designated as such in regulations prescribed under section 5707 of this title.

(d) For travel outside the continental United States, the President, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel when the per diem allowance would be less than these expenses, except that such reimbursement shall not exceed \$21 for each day in a travel status outside the continental United States plus the locality per diem rate prescribed for such travel.

(e) This section does not apply to a justice or judge, except to the extent provided by section 456 of title 28.

§ 5703. Per diem, travel, and transportation expenses; experts and consultants; individuals serving without pay

(a) For the purpose of this section, "appropriation" includes funds made available by statute under section 849 of title 31.

(b) An individual employed intermittently in the Government service as an expert or consultant and paid on a daily when-actually-employed basis may be allowed travel expenses under this subchapter while away from his home or regular place of business, including a per diem allowance under this subchapter while at his place of employment.

[(c) An individual serving without pay or at \$1 a year may be allowed transportation expenses under this subchapter and a per diem allowance under this section while en route and at his place of service or employment away from his home or regular place of business, unless a higher rate is named in an appropriation or other statute, the per diem allowance may not exceed—

[(1) the rate of \$25 for travel inside the continental United States; and

[(2) the rates established under section 5702(a) of this title for travel outside the continental United States.

[(d) Under regulations prescribed under section 5707 of this title, the head of the agency concerned may prescribe conditions under which an individual to whom this section applies may be reimbursed for the actual and necessary expenses of the trip, not to exceed an amount named in the travel authorization, when the maximum per diem allowance would be much less than these expenses due to the unusual circumstances of the travel assignment. The amount named in the travel authorization may not exceed—

[(1) \$40 for each day in a travel status inside the continental United States; or

[(2) the maximum per diem allowance plus \$18 for each day in a travel status outside the continental United States.]

[§ 5704. Mileage and related allowances

[(a) Under regulations prescribed under section 5707 of this title, an employee or other individual performing service for the Government, who is engaged on official business inside or outside his designated post of duty or place of service, is entitled to not in excess of—

[(1) 8 cents a mile for the use of a privately owned motorcycle;

or

[(2) 12 cents a mile for the use of a privately owned automobile or airplane;

instead of the actual expenses of transportation when that mode of transportation is authorized or approved as more advantageous to the Government. A determination of advantage is not required when payment on a mileage basis is limited to the cost of travel by common carrier including per diem.

[(b) In addition to the mileage allowance under subsection (a) of this section, the employee or other individual performing service for the Government may be reimbursed for—

[(1) parking fees;

[(2) ferry fares; and

[(3) bridge, road, and tunnel tolls.]

§ 5704. Mileage and related allowances

(a) Under regulations prescribed under section 5707 of this title, an employee who is engaged on official business for the Government is entitled to—

(1) 8 cents a mile for the use of a privately owned motorcycle;

(2) 15 cents a mile for the use of a privately owned automobile;

or

(3) 18 cents a mile for the use of a privately owned airplane; instead of actual expenses of transportation when that mode of transportation is authorized or approved as more advantageous to the

Government. A determination of such advantage is not required when payment on a mileage basis is limited to the cost of travel by common carrier including per diem. Notwithstanding the preceding provisions of this subsection, in any case in which an employee who is engaged on official business for the Government chooses to use a privately owned vehicle when a Government vehicle is readily available, payment on a mileage basis is limited to the cost of travel by such Government vehicle.

(b) In addition to the mileage allowance authorized under subsection (a) of this section, the employee may be reimbursed for—

- (1) parking fees;*
- (2) ferry fees;*
- (3) bridge, road, and tunnel costs; and*
- (4) airplane landing and tie-down fees.*

§ 5705. Advancements and deductions

An agency may advance, through the proper disbursing official, to an employee [or individual] entitled to per diem or mileage allowances under this subchapter, a sum considered advisable with regard to the character and probable duration of the travel to be performed. A sum advanced and not used for allowable travel expenses is recoverable from the employee [or individual] or his estate by—

- (1) setoff against accrued pay, retirement credit, or other amount due the employee [or individual];*
- (2) deduction from an amount due from the United States; and*
- (3) such other method as is provided by law.*

* * * * *

[§ 5707. Regulations]

[The Director of the Bureau of the Budget shall prescribe regulations necessary for the administration of this subchapter. The fixing, payment, advancement, and recovery of travel allowances, and the reimbursement of travel expenses, under this subchapter shall be in accordance with the regulations. This section does not apply to the fixing or payment of a per diem allowance under section 5703(e) of this title.]

§ 5707. Regulations and reports

(a) The Administrator of General Services shall prescribe regulations necessary for the administration of this subchapter, except that the Director of the Administrative Office of the United States Courts shall prescribe such regulations with respect to official travel by employees of the judicial branch of the Government. Such regulations shall state the specific rate of the per diem allowance, within the dollar limitations prescribed in the first sentence of section 5702(a) of this title, and a specific rate of reimbursement for actual and necessary expenses of official travel to each high rate geographical area under section 5702(e) (1) of this title, to which an employee is entitled.

(b) (1) The Administrator of General Services, in consultation with the Comptroller General of the United States, the Secretary of Transportation, the Secretary of Defense, and representatives of organizations of employees of the Government, shall conduct periodic investigations of the cost of travel and the operation of privately owned vehicles to employees while engaged on official business, and

shall report the results of such investigations to Congress at least once a year. In conducting the investigations, the Administrator shall review and analyze among other factors—

- (A) depreciation of original vehicle cost;
- (B) gasoline and oil (excluding taxes);
- (C) maintenance, accessories, parts, and tires;
- (D) insurance; and
- (E) State and Federal taxes.

(2) At least once each year, the Administrator shall determine, based upon the results of his investigation, specific figures each rounded to the nearest one-half cent, of the average, actual cost a mile during the period for the use of a privately owned motorcycle, automobile, and airplane. The Administrator shall report such figures to Congress not later than five working days after he makes his determination. Each such report shall be printed in the Federal Register. The cent figures contained in paragraphs (1), (2), and (3) of section 5704(a) of this section, or any adjustments previously made thereto and in effect under that section, shall be adjusted by the Administrator within thirty days following the submission of that report to the figures so determined and reported by him. Those figures shall not be less than the figures in effect under that section immediately after the enactment of the Travel Expense Amendments Act of 1975, nor shall those figures ever be adjusted to figures greater than—

- (A) 11 cents a mile for the use of a privately owned motorcycle;
- (B) 20 cents a mile for the use of a privately owned automobile;

and

- (C) 24 cents a mile for the use of a privately owned airplane.

Those adjusted figures shall also be included in the regulations prescribed under this section.

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LEGISLATIVE BRANCH APPROPRIATION ACT, 1957

* * * * *

ADMINISTRATIVE PROVISIONS

Notwithstanding the provisions of any other law, each Senator may fix the basic compensation of one employee in his office at a rate of not to exceed \$8,040 per annum in addition to other positions authorized by law.

The Sergeant at Arms hereafter is authorized and directed to secure suitable office space in post office or other Federal buildings in the State of each Senator for the use of such Senator and in the city to be designated by him: *Provided*, That in the event suitable space is not available in such buildings and a Senator leases or rents office space elsewhere, the Sergeant at Arms is authorized to approve for payment, from the contingent fund of the Senate, vouchers covering bona fide statements of rentals due in an amount not exceeding \$1,200 per annum for each Senator.

The Sergeant at Arms of the Senate hereafter is authorized and directed to approve for payment from the contingent fund of the Senate to each Senator an amount not to exceed \$150 quarterly, upon certification of each such Senator, for official office expenses incurred in his State: *Provided*, That in the case of the death of any Senator the chairman of the Committee on Rules and Administration may certify for such deceased Senator for any portion of such quarterly allowances already obligated but not certified to at the time of such Senator's death, and for an amount at the same quarterly rate which may be reasonably needed for the purpose of closing such deceased Senator's State office, for payment to the person or persons designated as entitled to such payment by said chairman.

Effective July 1, 1956, the paragraph relating to official long distance telephone calls to and from Washington, District of Columbia, under the heading "Contingent Expenses of the Senate" in Public Law 479, Seventy-ninth Congress (2 U.S.C. 46c), as amended, is amended by striking out the word "ninety" and inserting in lieu thereof "one hundred and twenty" and by striking out the words "four hundred and fifty" and inserting in lieu thereof "six hundred".

The Secretary of the Senate and the Sergeant at Arms hereafter are authorized and directed to protect the funds of their respective offices by purchasing insurance in an amount necessary to protect said funds against loss. Premiums on such insurance shall be paid out of the contingent fund of the Senate, upon vouchers approved by the chairman of the Committee on Rules and Administration.

Salaries or wages paid out of the foregoing items under "Contingent Expenses of the Senate" shall be computed at basic rates, plus increased and additional compensation, as authorized and provided by law.

No part of the foregoing appropriations made under the heading "Contingent Expenses of the Senate" hereafter may be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949, as amended) at rates in excess of ~~[\$25]~~ \$35 per day; except that (1) higher rates may be established by the Committee on Rules and Administration for travel beyond the limits of the continental United States, and (2) in accordance with regulations prescribed by the Committee on Rules and Administration of the Senate, reimbursement for such expenses may be made on an actual expense basis of not to exceed ~~[\$40]~~ \$50 per day in the case of travel within the continental limits of the United States.

Compensation for stenographic assistance of committees paid out of the foregoing items under "Contingent Expenses of the Senate" hereafter shall be computed at such rates and in accordance with such regulations as may be prescribed by the Committee on Rules and Administration, notwithstanding, and without regard to any other provision of law.

The contingent fund of the Senate is hereafter made available for reimbursement for mileage, at the rate of 10 cents per mile, for one round trip in each fiscal year by the nearest route usually traveled between Washington, District of Columbia, and a Senator's residence

in his home State, to not to exceed two employees in each Senator's office, such reimbursement to be made upon vouchers approved by the Senator and containing a certification by him that such travel was performed in line of official duty.

Unless otherwise specifically authorized by law, no part of any appropriation disbursed by the Secretary of the Senate shall be available for payment of compensation to any person holding any position, for any period for which such person received compensation for holding any other position, the compensation for which is disbursed by the Secretary of the Senate.

* * * * *

SECTION 506 OF THE SUPPLEMENTAL APPROPRIATIONS ACT, 1973

SEC. 506. (a) Effective January 1, 1973, and thereafter, the contingent fund of the Senate is made available for payment to or on behalf of each Senator, upon certification of the Senator, for the following expenses incurred by the Senator and his staff:

(1) official telegrams and long-distance telephone calls and related services (in the manner authorized immediately prior to January 1, 1973, by the Committee on Rules and Administration, or as may be hereafter authorized by that committee);

(2) stationery and other office supplies procured through the Senate stationery room for use for official business;

(3) reimbursement to each Senator for air mail and special delivery postage for expenses incurred in the mailing of postal matters relating to official business;

(4) rental charges for office space at not more than three places designated by the Senator in the State he represents;

(5) reimbursement to each Senator for official office expenses incurred in his State (other than equipment and furniture);

(6) reimbursement to each Senator for telephone service charges officially incurred outside Washington, District of Columbia;

(7) reimbursement to each Senator for charges for subscriptions to newspapers, magazines, periodicals, or clippings or similar services; and

(8) reimbursement of [actual transportation] *travel* expenses incurred by the Senator in traveling on official business by the nearest usual route between Washington, District of Columbia, and the State he represents and within such State, and [actual transportation] *travel* expenses incurred by employees in that Senator's office subject to the provisions of subsection (c) of this section.

Reimbursement to a Senator and his employees under this section shall be made only upon presentation of itemized vouchers for expenses incurred.

* * * * *

[(c) Actual transportation expenses incurred by an employee in a Senator's office shall be paid under this section only for such expenses incurred in making round trips on official business by the nearest usual route between Washington, District of Columbia, and the home State of the Senator involved, and in traveling within that State (other than transportation expenses incurred by an employee assigned to a Senator's office within that State (1) while traveling in the general vicinity of such office, (2) pursuant to a change of assignment within such State, or (3) in commuting between home and office). No payment shall be made under this section to or on behalf of a newly appointed employee to travel to his place of employment.]

(c) In accordance with regulations prescribed by the Committee on Rules and Administration, an employee in a Senator's office shall be reimbursed under this section for per diem and actual transportation expenses incurred, or actual travel expenses incurred, only for round trips made by the employee on official business by the nearest usual route between Washington, District of Columbia, and the home State of the Senator involved, and in traveling within that State (other than transportation expenses incurred by an employee assigned to a Senator's office within that State (1) while traveling in the general vicinity of such office, (2) pursuant to a change of assignment within such State, or (3) in commuting between home and office). However, an employee shall not be reimbursed for any per diem expenses or actual travel expenses (other than actual transportation expenses) for any travel occurring during the one hundred and twenty days immediately before the date of any primary or general election (whether regular, special, or runoff) in which the Senator, in whose office the employee is employed, is a candidate for public office. Reimbursement of per diem and actual travel expenses shall not exceed the rates established in accordance with the seventh paragraph under the heading "ADMINISTRATIVE PROVISIONS" in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b). No payment shall be made under this section to or on behalf of a newly appointed employee to travel to his place of employment.

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